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REVIEWS AND NEW BOOKS

General Works, Theory and Its History

The Colonization of Australia (1829-42). The Wakefield Experiment in Empire Building. By RICHARD CHARLES MILLS. Studies in Economics and Political Science. No. 44 in the Series of Monographs by Writers Connected with the London School of Economics and Political Science. (London: Sidgwick and Jackson, Limited. 1915. Pp. xx, 363. 10s. 6d.)

The subtitle of this book, *The Wakefield Experiment in Empire Building*, indicates its chief interest to the American reader, and, in fact, to all who are not concerned with the minute details of early Australasian colonization. The student of economics will recall the discussion of Wakefield's ideas in John Stuart Mill's *Principles of Political Economy*. If he is tempted to take Ashley's edition of Mill's *Political Economy* in hand and consult the index and then turn to the references, he will be surprised by the extent of Wakefield's influence upon John Stuart Mill, unless, indeed, he has recently and carefully perused his Mill. It is quite certain that comparatively few present-day economists realize the apparent influence that Wakefield had upon English economic thought. Turning to Mill's discussion of coöperation one finds Mill following the terminology of Wakefield and quoting from him at great length. Mill says of Wakefield that he was the first to point out the disadvantages of a purely agricultural population. Other illustrations could be given.

The economist who studies land policies in Australia and in New Zealand, frequently comes upon the work and influence of Wakefield and is increasingly impressed by his significance in practical affairs and in the formulation of thought in regard to the desirable methods of colonization.

If colonization is properly carried out, it means a satisfactory plan of land settlement; in other words, sound land policies. The present work is, then, a study of land policies, and as such it is most timely. For at last, even in the United States, we are beginning to know that there is such a thing as land policies, and that there is nothing more fundamental than the problem of landed property. We are asking questions like these: How much land shall be private property? how much shall be public property? what limitations shall there be upon private ownership of

land as to area? and as to the rights included in private ownership? The relation of the land to the people and the people to the land is perhaps the greatest economic problem of the twentieth century. The only other problem that could be placed in the same class is the labor problem, but that embraces in part the land problem.

One thing that impresses itself upon the student in the study of the land policies of Australia and New Zealand is their complexity. One does not get very far in the study of land problems anywhere without seeing that no simple formula offers a solution.

The significance of Wakefield is found in his early recognition of the fundamental importance of land policies in the settlement of a new country. He found that, in the past, colonization had been unsystematic and planless, involving evils for the present and for the future. Wakefield emphasized continually systematic colonization. This he wanted to substitute for what he called "mere immigration." Wakefield's system was based upon economic theory. Prosperous colonization could be brought about only by a suitable combination of land, labor, and capital; and he especially emphasized as a necessary condition of prosperous colonization the proper proportion between land and labor. How was such a proportion to be secured? The answer is a simple one. A "sufficient price" should be asked for the land to prevent capital-less labor from immediately taking up land. It was not desired that the capable laborer should be deprived of land ownership, but that he should work for a time for wages and then later on take up land, having accumulated capital. A price just high enough should be asked for "waste lands," meaning thereby chiefly what we call the public domain, to prevent the rapid movement from the old settled portions of a colony to the newer portions. "Combinable labor" was a term frequently used by him.

Speaking of the "sufficient price" Wakefield says that the ideal price would be a just medium . . . occasioning neither superabundance of people nor superabundance of land, but so limiting the quantity of land, as to give the cheapest land a market value that would have the effect of compelling labourers to work some considerable time for wages before they could become landowners. A price that did less than this would be insufficient; one that did more would be excessive: the price that would do this and no more is the proper price. I am used to call it the sufficient price.

The "sufficient price" would avoid the undue dispersion of the population and promote "closer settlement" than would otherwise

take place; and the aim of closer settlement still plays a large role in Australia and New Zealand. Jeremy Bentham who became an adherent of Wakefield was strongly impressed by the idea of close settlement and called this principle "the vicinity-maximization or dispersion-preventing principle."¹ J. S. Mill also regarded this as a valuable feature of the Wakefield system.

As another part of Wakefield's program it should be noticed that the price received for the land was to be used as an immigration fund. This immigration fund would constantly bring new labor to the new country. Consequently the settler in paying his "sufficient price" for the land would be contributing to a fund to provide himself with labor for the cultivation of the land. With this feature J. S. Mill was also profoundly impressed because it operated perpetually to take labor from the mother country to the colonies. The system once started, said J. S. Mill, was self-supporting, and its effect "would tend to increase in geometrical progression," for each new immigrant added to the funds for augmenting the labor supply of the colony.² Wakefield's theory then contemplated benefit to the mother country by enlarging what he called the "field of employment" and a benefit to the new country by its proper settlement. Wakefield laid emphasis upon the quality of the settler, and it is quite probable his influence is seen now in New Zealand in the care taken to secure a high grade of immigration.

Wakefield seems to have been a talented agitator, and leaders of economic thought gradually came under his influence to an increasing extent. There is reason to believe that Wakefield's theories and plans are now finding a growing appreciation. So far as the present writer is able to discover the book is carefully and accurately written.

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Second Thoughts of an Economist. By WILLIAM SMART. With a biographical sketch by THOMAS JONES. (London: Macmillan and Company, Limited. 1916. Pp. lxxix, 189. \$1.40.)

"Surely it is a painful confession of failure if a man who wishes 'to spend a week with God' has to leave his business and go 'into a retreat.'" In these words William Smart voiced his dissatisfac-

¹ Mills' *Colonization* etc., p. 153.

² Mill's *Principles of Political Economy*, Ashley ed., p. 973.